Town Center Garage Parking Options

For Discussion Purposes Only

This is an assessment of 12 options predicated from a meeting with the merchants of Town Square in which they suggested alternatives or co-initiatives to the Mayor and Council's direction that fees for extended weekday evening hours and Saturdays go into effect starting May 2009. The 12 options are divided into two groupings. The first group consists of options that staff recommends implementing, and the second group consists of options considered but not recommended.

RECOMMENDED OPTIONS

Install Individual Parking Meters At Selected Locations To Accommodate Fractional Increments of Time

Five stand-alone parking meters were recently installed in the Route 355 Garage in response to requests for short-term parking in increments less than an hour. Additional meters could be added in other selected locations.

Given the layout of the garages, there is a convenient location in the Route 355 Garage to add an additional 12 stand-alone meters that would serve the east side of Town Square, including CVS and the Library. This location is adjacent to the area where the current five stand-alone meters already are installed. Appropriate signage would need to be installed, indicating that this is a short-term parking area only. In the North Washington Street Garage, there is a row of 11 spaces on the street level that provides a convenient location for more stand-alone meters to service short-term parking for businesses on the west side.

There is an average cost of $800 for purchase and installation of each standard parking meter. Installing 11 meters in the North Washington Street Garage will cost $8,800. Installing 12 additional meters in the Route 355 Garage would cost $9,600. Total cost for the 23 meters would be $18,400.

Provide For Store Validation Of Parking

The current parking system cannot be adapted to handle store validation, as patrons pay up front to park. With the presentation of a "valid" parking receipt, however, individual retail businesses could offer discounts off goods and services for customers who have parked in the garages. It would be up to the retailers to decide how much they would like to refund to each patron.

Rather than the businesses taking the patron's receipt, the City would provide a stamp that the retailers could use to mark each parking receipt. This would enable the patron to retain their receipt in case there was a dispute over a violation, and as a reminder of when their paid time was up. Also, it would curtail patrons going to more than one store for multiple discounts.

The cost of this operation would be borne entirely by the retailers; however, the City could bear the cost of creating the stamps and the possible printing of brochures. Retail may want to coordinate with FRIT to negotiate possible rent reductions and publicity efforts.

Total cost would be $2,000 (for printing of brochures and producing 30 stamps).

Provide Promotional Incentives on Pay Station Receipts

The printers of the pay stations can be easily programmed to print an additional two lines of message (20 characters per line) at the end of each parking receipt. The use of these two lines could be offered to the retailers for promotional store discounts, etc. Individual retailers would be given the option to participate (or not), and a rotational schedule could be set up to feature a different business every two weeks or so. The only associated cost would be an hour of staff time for programming each rotation.

Lower Monthly Rate From $75 To $65

Prices at local parking lots currently range from $65 to $90 per month. The City's current rate is $75 per month, which is in the middle of the range. Lowering the City's monthly parking rate would make Town Center Garages more competitive and should increase commuter and business parking. Currently, the City issues about 90 monthly passes and lowering the rate by $10 would result in an annual loss of $10,800 ($900 per month).

To cover the loss of revenue, the City would need to pick up an additional 14 new passes at $65 each. The number of monthly passes has been slowly increasing over the last two months (10 additional in January and 8 in February). The increase is mostly due to commuters switching from the Metro lots to the City garages. The $10 reduction in monthly rates will entice more parkers, though it would not necessarily increase patronage to the retailers.

Grace Period Provided By Parking Enforcement

The initial programming of the pay stations was believed to include a short grace period after any particular parking space had expired, before it indicated that space was in violation, and the occupant subject to ticketing. Recent investigations discovered that this was not the case, and reprogramming of the pay stations to do so was not possible. It is now the policy of the Police Department for Parking Enforcement Officers to provide a ten minute grace period as the pay stations cannot.

OPTIONS CONSIDERED BUT NOT RECOMMENDED

Eliminate Paid Parking Altogether

Offering free parking could potentially entice more patrons to Town Square and subsequently increase retail sales. Offering free parking is no guarantee, however, of increased patronage and may only lead to spaces being taken up by commuters or others seeking to avoid surrounding parking lots with paid parking. This was the situation that occurred to some extent when the garages were first opened and parking was free. Free parking would undermine the operations of the paid lots around Town Center, many of them privately owned, and may lead to complaints of unfair competition.

In December 2008, the City offered a two-week period of free parking prior to the holidays. Though garage usage was up between 2 and 3 percent over the previous two-week period of paid parking, this increase was minimal and consistent with the normal increase associated with the holiday rush. There was no clear indication that offering free parking improved retail sales.

Including the extended paid parking hours until 10 on weeknights and on Saturdays, offering free parking would result in the loss of $1,021,564 in estimated annual revenue (as presented in the agenda for the October 20, 2008 Mayor and council meeting. Staffing levels of both PMI (garage attendants) and PEO could be reduced by one person each, resulting in a total operational savings of $55,000 annually, and the annual service agreement for the pay stations could also be cancelled, realizing another $25,000 per year. The net annual loss to the City would be $941,664 ($1,021,564 minus $80,000). The current pay station system that initially cost the City $500,000 would also be abandoned.

Reduce Parking to Fifty Cents Per Hour

Reducing the rate to 50 cents per hour would make the pay stations an exact change only system, or quarter dispensing operation (see above). There are no hoppers manufactured to dispense 50-cent coins.

This reduction will also effect the current County Library agreement. The rates in the agreement were based on the current $1.00 per hour rate. Decreasing the current hourly rate by half would mean that the County agreement rates would also have to be cut in half. The County currently pays 70 cents per hour for the first 10,000 hours of library parking usage, 90 cents per hour from 10,001 hours to 12,000 hours usage and then $1 per hour thereafter.

As free parking in the past did little to increase the volume in the garages, it can only be assumed that discounted parking would result in the same, therefore, overall revenues would be cut in half.

Unless an arrangement can be reached with FRIT/Retail to make payments to the City to cover the reduction in rates, the annual revenue loss would be $510,782 (half of the projected annual revenue of $1,021,564).

Provide First Hour Free parking

Providing free parking for the first hour goes contrary to the standard demand pricing fee strategy of most paid parking operations, including most lots in Town Center, where the fee for the first hour is doubled or, in some cases, tripled. Usage data from June 2008 through December 2008 shows that 40 percent of City's revenue comes from the one-hour transactions.

Unless an agreement could be made with FRIT/Retail to make payments to the City for the free hours, there would be an annual revenue loss of $408,623 (40% of the $1,021,564 annual revenue).

Offer Initial Two Hours Of Parking for $1

This option would offer the first two hours of paid parking for one dollar and then one dollar per hour for each hour afterwards. The pay stations can be programmed to accept this option. This option could be perceived as providing the parking patron more for their money, but as the pay stations cannot make change, this option may also generate negative feedback from patrons who feel they are getting slighted if they are only using a small portion of time.

This option would effectively provide the second hour free. The pay station accounting systems are not set up to isolate two hour transactions, so potential revenue loss can only be estimated. As the single hour transactions account for 40 percent of the revenue, it does follow that the two-hour transactions would be the next largest proportion of revenue. Though no firm figures are available, staff believes there would be significant loss of revenue.

Reprogram Pay Stations To Provide15-Minute Incremental Parking

The current pay stations could be programmed to handle an incremental system of every fifteen minutes for the first hour. This would allow patrons to park for short periods of time throughout the garages with minimal up-front expense. Reprogramming would result in an additional option showing on the pay station screens. Signage would have to be replaced or modified to indicate that option.

For increments of less than an hour, it would need to be made clear via signage that payment would be exact change only. Given the current configuration, pay stations are not able to dispense change for periods less than one hour. The pay stations are equipped with coin hoppers that dispense dollar coins. These hoppers could be exchanged for hoppers that dispense quarters to give change for small increments, but that could result in patrons receiving handfuls of change in quarters, especially if they only purchase a short increment of time and only have a large denomination bill. If converting to the quarter dispensing option, 21 replacement hoppers would need to be purchased.

There may be increased complaints about either not having exact change to put in the pay station for a short period of time or complaints about receiving a pocket full of quarters. In the no-change option, patrons could be directed to PMI stations where PMI employees would be able to make change, but that would increase the number of PMI staff by the equivalent of one person to provide change service in all garages during paid operations.

Petty cash would have to be distributed to all PMI staff and would need additional accounting. Patrons would probably not like having to go to a PMI booth for such a small transaction. Another option would be to install bill changer machines at seven selected locations, but they would be subject to vandalism and/or would need additional security. These machines would need to be serviced and restocked on a regular basis, the coin bags in the pay stations would need emptying more frequently and an additional City staff would need to be hired. If change is to be made by the garage attendants, an additional PMI staff member would need to be hired.

Start up costs for the 25cent hopper option would be $26,000 ($21,000 for 21 new coin hoppers at $1,000 each plus $5,000 in signage changes). Annual costs for this option would be $20,000 for an additional PMI staff available to make change.

Start-up costs for the coin changer option would be $15,500 ($10,500 for 7 coin changers at $1,500 each, plus $5,000 in signage changes). Annual costs for this option would include City staff time needed to service and replenish the coin changers plus losses and costs associated with expected vandalism on the coin changer machines (actual costs unknown at this time).

Install Individual Parking Meters Throughout The Garages To Replace The Current System

The concept of installing stand-alone meters throughout the garages was also examined. Though installation of all stand-alone meters would eliminate the need for pay stations, the patrons would still have to pay up front and would lose the convenience of being able to add time at any garage level. Long-term parking would be difficult to purchase, as meters would be exact change only and would provide no means for credit card purchase on-site. Individual meters would significantly add to the time needed for collection of revenue and the counting of coins. Parking enforcement currently can obtain a printout from the pay stations as to expired spaces to check for vehicles in violation, rather than walking the garages. If individual meters were installed, parking enforcement would have to check each occupied parking space separately, reducing efficiency without the addition of staff.

The introduction of a completely new system for parking would require all new signage, a major learning shift in the habits of current users and would also entail abandoning the existing $500,000 parking system. Changing the system to individual meters would not increase revenues, and the cost for installation of 965 stand-alone meters throughout the garages at an average cost of $800 each would total $772,000 in start-up costs.

Install A "Gated" System

The installation of a gated parking system was examined as a means to allow parking patrons to pay for parking when they leave, rather than pay in advance (as with the pay stations). To install a gated system, whether with automated ticketing systems or attendants in booths, the garages would have to be significantly reconfigured (where possible), and, in most locations, the layout and mixed usage of the garage prohibits the installation of gates altogether. Gates cannot be located in such a way that queuing affects traffic on Route 355 or on North Washington Street. Gates would have to be installed far enough back from the entrances, resulting in a loss of 10 to 20 parking spaces at each location. Most locations also have shared access that would prohibit gating.

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The covered area of the upper level of the North Washington Street Garage accommodates circular truck traffic in and out of both entrances. Truck traffic cannot easily manipulate through the restriction of gates. The uncovered area of parking is reserved for grocery store use and cannot be gated off. With an additional gate to go through, residential traffic would be inconvenienced. The lower level of the North Washington Street Garage also has a section of 59 spaces designated for the grocery store and that area cannot be gated off either.

The Maryland Avenue Garage serves as an access route for residential parking in the lower levels underneath. Again, installing gates would be an inconvenience to residential users. Also, the entrance to the Maryland Avenue Garage is a steep ramp.

At the Route 355 Garage, the area near the CVS store serves circular truck traffic for deliveries, as well as a drive-through for the CVS pharmacy. It would be impossible to gate at that location. The multi-level section of the Route 355 garage could be gated off, but the gates at both entrances would need to be inset to avoid queuing.

A variation on this option was brought up and considered where an attended gate would be inset further into the Rte. 355 garage where it wouldn't create queuing and would require only one gate. Given the layout of the garage, there is one location on the P1 level where installation of a lone gate is possible, but the installation even of one gate raises some concerns.

With a gated system, there would need to be a designated shut down time for that section of the garage. Cars left in the garages after closing time would be stranded and a system would need to be set up for patrons to call for emergency exit.

Given that only one section of the garages could be effectively gated, there would then be three completely different systems for parking (pay station, attendant, and stand alone meter), dependant upon location. There would be confusion on the part of the parkers as to what procedures to follow where.

The installation cost for each gate would be $4,000. Signage change costs could add an additional $5,000 for a total start-up cost of $9,000 (and $4,000 for each additional gate). Each gated location would require an attendant for all hours of operation. Unless current staffing is bonded for money handling, staff for two eight-hour shifts would have to be hired, adding a yearly expense of $40,000 per gate. Credit card and additional accounting systems would need to be set up to handle the transactions.